

No. 633

974.5301/7-258: Telegram

*The Acting Secretary of State to the Embassy in Egypt*¹

SECRET

WASHINGTON, July 2, 1953—6:49 p. m.

9. In view protraction Anglo-Egyptian negotiations and renewed British and French representations, US agreed participate tripartite exchange views re freedom transit Suez Canal. Talks to be exploratory, on expert level, and to start mid July after visit British and French Foreign Office representatives. We delivering note re decision July 3 and stressing need secrecy. Will orally request British and French not to raise this matter at high-level talks. Discussions to cover points listed para 12 note quoted Dept A-246 Feb 3 to Cairo.

French Embassy June 29 suggested U.S.-French representations to Egypt at this time stressing importance freedom transit and hope Egypt would observe this principle, regardless future measures taken against British. We declining proposal stating such approach uncalled for this juncture and would prejudice chances Anglo-Egyptian settlement.

SMITH

¹ Repeated to London and Paris

No. 634

884.10/7-853

*Memorandum by the Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Byroade) to the Secretary of State*¹

SECRET

[WASHINGTON,] July 8, 1953.

Subject: Israel Request for a Funding Loan

Discussion

On June 11, 1953, Ambassador Eban requested Mr. Stassen's assistance (a) in obtaining a \$75,000,000 loan from the Export-Import Bank for debt refinancing, and (b) in making available certain unused funds from the FY 1953 NEA appropriation to meet a

¹ Sent through the Executive Secretariat. An attached note of July 13 from O'Connor to Byroade reads: "The Secretary has talked to Mr. Stassen along the line of your attached memorandum."